

**Opening Statement of the Honorable Greg Walden
Subcommittee on Communications and Technology
Hearing on “Oversight of the Federal Communications Commission”
December 12, 2013**

(As Prepared for Delivery)

I am pleased to welcome the full complement of FCC Commissioners and its new chairman to our subcommittee today. Chairman Wheeler and Commissioner O’Rielly, we welcome you and look forward to working with you to set the communications agenda for our nation.

The Federal Communications Commission is the arm of our government tasked with fostering some of the most important parts of our national economy. Among them, the telecommunications industry, the video distribution industries, and the Internet. Given the economic significance of these industries, the charge from Congress to encourage competition, license our national spectrum assets, and facilitate technological advances is one that must be discharged with transparency, accountability, and a long view of the technological landscape.

It is with this in mind that this subcommittee has worked over the last three years to improve the commission’s process. As the subcommittee with jurisdiction over the FCC, we take great care to ensure that the commission not only remains a vital institution, but one that can serve as an example for other federal agencies of accountability and efficiency. A bipartisan majority of this subcommittee is deeply committed to this cause and is proud to have reported a bipartisan FCC process reform bill to the full House yesterday. Chairman Wheeler, it’s clear you want to improve the agency, and I’d like to commend you for turning your attention to this task by assigning one of your top advisors to review FCC processes and submit recommendations for improvement by early January 2014.

While there are a number of large proceedings currently pending at the commission, many of which we will talk about today, I am particularly concerned with returning the commission to addressing some of its long overdue responsibilities. For example, despite multiple unsuccessful trips to the Third Circuit Court of Appeals, the commission’s responsibility to address the media ownership proceeding remains unfulfilled. Additionally, licensing – one of the original reasons for the creation of the commission – has fallen woefully behind. Of particular note is the tragic pace of processing of applications in the commission’s Media Bureau. The AM radio industry has been clamoring for the ability to use FM translators to give new life to a classic medium. I appreciate Commissioner Pai’s good work in this regard. And, as a former licensee, I know first hand that the commission has been in no rush to address translator applications. My own application sat unresolved at the commission for ten years. To put this in context, while the commission considered my application my wife and I sold our stations, our son went off to and graduated college, and every full-power television station in the country converted from analog to digital broadcasting. The commission can and should do better and I am hopeful that our shared commitment will lead to improvement.

As the only one on this panel with the unique experience of having been a licensee of the commission as well as a policymaker, I would like to offer two pieces of advice for you as you move forward with your charge. First, where Congress has spoken, I urge you to heed the words in statute and reject calls to act in ways contrary to congressional intent. For example, in the incentive auction proceeding some are calling on the commission to exclude bidders from participating in the auction. Others still are calling for excessive guard bands in an attempt to end-run requirements to license reclaimed TV band spectrum. Both are bad ideas.

Second, I urge you to bear in mind that even seemingly small changes in your rules can have significant impact on the market. The commission’s recent decision to apply yet incomplete rules to its UHF discount has effectively frozen many plans for broadcast mergers and acquisitions. The problem here isn’t that the commission wants to update the UHF discount rule, the problem is that absent a decision how – and

importantly, when – the commission will move forward, it has pressed pause for an indefinite period of time. We all know that markets do not react favorably to this kind of open-ended uncertainty.

On the other hand, I applaud the recent announcement on the schedule for the spectrum incentive auctions. Both the broadcast and wireless industries are waiting with bated breath to see how the FCC address this first-of-its-kind auction, to say nothing of the public safety agencies that are counting on the auction to fund FirstNet. The certainty of a timetable is good for both stakeholders and the commission itself.

Finally, turning to those large proceedings that the commission has on its plate, we are looking forward to working with you to tackle tough issues like the IP Transition, Universal Service Reform, and media ownership. Chairman Upton and I recently launched a large proceeding of our own – an initiative to update the Communications Act. Each of you brings a unique perspective to your work on the commission: industry lobbyist, newspaper publisher, a couple of lawyers, and even some former legislative staffers. That experience, combined with your expertise on the Federal Communications Commission itself will be valuable part of our efforts and we look forward to working together.

Chairman Wheeler, Commissioner O’Rielly, welcome. Commissioners Clyburn, Rosenworcel, and Pai, welcome back. We thank you for joining us today and look forward to working together to foster this critical sector of the economy.

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